Unemployment rate falls to 5.5% in April

Media Release

Released 20/05/2021

Source: Labour Force, Australia, April 2021

The seasonally adjusted unemployment rate fell by 0.2 percentage points to 5.5 per cent between March and April 2021 according to the Australian Bureau of Statistics (ABS).

Unemployment

Bjorn Jarvis, head of labour statistics at the ABS, said this was the sixth consecutive fall in the unemployment rate, down from 6.9 per cent in October 2020.

“The unemployment rate is now 0.2 percentage points (or 33,000 people) above the start of the pandemic. Importantly, it’s 2.0 percentage points below its peak in July 2020, when it was 7.4 per cent,” Mr Jarvis said.

“The youth unemployment rate fell to its lowest level since the Global Financial Crisis, reflecting a strong increase in employment for young men, following a number of increases for young women in recent months.”

Employment and hours worked

The end of the JobKeeper wage subsidy did not have a discernible impact on employment between March and April.

“We have not seen large changes in the indicators that would suggest a clear JobKeeper impact, such as an increase in people working reduced or zero hours for economic reasons or because they were leaving their job. We also haven’t seen large net flows out of employment across many population groups,” Mr Jarvis said.

“Some of the 31,000 fall in employment may relate to the end of JobKeeper, but it could also

reflect usual month-to-month variation in the labour market and some larger than usual seasonal changes similar to those we saw earlier in the year."

Seasonal factors explained the larger fall in hours (down 0.7 per cent), which was again attributed to higher than usual numbers of people taking leave around the public and school holidays.

"Like we saw in January, the number of people taking leave over the Easter public and school holidays was also higher than in the past," Mr Jarvis said.

The 31,000 (or 0.2 per cent) fall in employment was due to a decline in female employment, down by 0.6 per cent, while male employment increased by 0.1 per cent. Female hours fell by 1.6 per cent, while male hours remained steady.

Participation

The falls in both employment and unemployment in April saw the participation rate decrease 0.3 percentage points to 66.0 per cent – back to around its pre-pandemic levels.

The female participation rate decreased 0.5 percentage points to 61.3 per cent and the male participation rate decreased 0.1 percentage points to 70.8 per cent.

Underemployment

Underemployment decreased 0.2 percentage points to 7.8 per cent in April 2021, 1.0 percentage point below its pre-pandemic level (8.8 per cent).

The underutilisation rate, which combines unemployment and underemployment, decreased by 0.4 percentage point to 13.3 per cent. This was 6.8 percentage points below its peak in April 2020, and 0.8 percentage points below the start of the pandemic, reflecting the continued fall in underemployment.

Today's release includes additional analysis of hours worked, including people working zero hours, and an analysis of employment and hours worked at state and territory level.

Further information, including regional labour market information, will be available in the upcoming April 2021 issue of Labour Force, Australia, Detailed (/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release) , due for release on Thursday 27 May 2021.

The ABS would like to thank Australians for their continued support in responding to our surveys during such a difficult time.

Media notes

- People in the Labour Force are either employed, or unemployed. In order to be unemployed, people must be actively looking for work, and available to start work during the reference week.
- The 'youth' age group refers to 15-24 year-olds.
- The numbers in the media release are rounded to the nearest thousand people. For more detailed numbers see the data downloads tab in the Labour Force, Australia (/statistics/labour/employment-and-unemployment/labour-force-australia/latest-release) publication.
- The ABS has suspended publishing trend series for the COVID-19 period.
- When reporting ABS data you must attribute the Australian Bureau of Statistics (or the ABS) as the source.
- For media requests and interviews, contact the ABS Media Team via media@abs.gov.au (mailto:media@abs.gov.au) (8.30am-5pm Mon-Fri).
- Subscribe to our media release notification service (https://www4.abs.gov.au/ausstats/notifications.NSF/Web+Pages/ABS+Email+Notification+Service?OpenDocument&js=enabled) to get notified of ABS media releases or publications upon their release.